Farm Service Agency



Fact Sheet August 2003

Trade Adjustment Assistance for Farmers

Background

Under the Trade Adjustment Assistance for farmers, the Department of Agriculture provides technical assistance and cash benefits to eligible producers of raw agricultural commodities. A group must first petition the Secretary for assistance. If the Secretary determines that the national average price in the most recent marketing year for a commodity is less than 80 percent of the national average price in the preceding 5 marketing years and that increases in imports of that commodity contributed importantly to the decline in price, producers will be eligible for assistance. The statute authorizes an appropriation of not more than \$90 million for each fiscal year from 2003 through 2007 to carry out the program.

Subtitle C of Title 1 of the Trade Act of 2002 (P.L. 107-210) established the Trade Adjustment Assistance for Farmers.

Eligibility to Petition

A group of agricultural commodity producers or qualified fishermen in the United States or their authorized representative may file a petition for trade adjustment assistance. The petitioners shall indicate if they are filing on behalf of all producers in the United States, or if they are filing solely on behalf of producers in a specifically identified impacted area.

If the Secretary determines that the eligibility requirements have been satisfied, the producers covered by the petition shall be certified as eligible for adjustment assistance.

The petition form FAS-930 may be found on the Internet at: www.fas.usda.gov/taa/fas930.pdf or www.sc.egov.usda.gov. The petition can also be requested by phone at (202) 720-2916 or by writing to: USDA, Foreign Agricultural Service, Trade Adjustment Assistance, STOP 1021, 1400 Independence Avenue, SW, Washington, DC 20250-1021, or by e-mail at: trade.adjustment@fas.usda.gov

Producer Eligibility

Only producers covered by a certification of eligibility may apply for adjustment assistance. Producers covered by a certification will be notified how to apply for adjustment assistance.

Application Process

After petitions are approved by FAS, applications for adjustment assistance shall be made in person, by fax, or electronically at the FSA office where the producer's records are kept. If the producer has had no previous contact with FSA, the producer shall apply for adjustment assistance at the nearest FSA county office.

Producers may request advice from

FSA regarding the preparation and submission of applications for assistance. Eligible producers will complete an FSA-229, Application for Trade Adjustment Assistance (TAA) for Individual Producers, which will be available at www.sc.egov.usda.gov or at the local county FSA office. Applications must be received at the local FSA office within 90 days after the group has been certified eligible for TAA payments.

Mandatory Technical Assistance

After submitting the FSA-229, producers must receive mandatory, no cost, technical assistance from the Extension Service, which may include technical publications in print or online, group seminars, presentations, and one-on-one meetings. Producers will be required to submit proof that technical assistance was received before TAA payments can be made.

Required Supporting Documentation

After submitting the FSA-229, each producer will have until September 30 of the current fiscal year to submit:

- proof that technical assistance from the Extension Service has been completed;
- acceptable production documentation to verify production of the commodity specified on the application; and

supporting documentation from a certified public accountant or attorney (or relevant document) and other supporting financial statements, balance sheets, and reports prepared for, or provided, to the IRS or another U.S. Government agency to prove that the net farm income is less than that for the latest year in which no adjustment assistance payment was received, and that their average adjusted gross income for the 3 preceding taxable years does not exceed \$2.5 million.

Payment Limitations

The maximum amount each producer can receive in any 12-month period cannot exceed \$10,000. Further, the total amount of payments a producer receives under this program, combined with counter-cyclical payments made under PL. 107-71, may not exceed \$65,000.

Example: If a producer receives a total of \$65,000 in counter-cyclical payment during a crop year, the producer will be ineligible for TAA payments for that same crop year. If a producer receives a total of \$60,000 in counter-cyclical payments, the producer will be eligible for an amount not to exceed \$5,000 in TAA payments.

For More Information

Additional information on the TAA is available from local USDA Service Centers at www.fsa.usda.gov.

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